

Nashville District
Human Resources Newsletter
"News You Can Use"
Issue 15-12-02
15 December 2002

The purpose of this newsletter is to keep Nashville District employees informed about personnel issues, concerns, and topics. You are encouraged to review the information and disseminate to your organization. If there are particular areas of interest that you would like to see addressed in future issues, an article of general interest, or general comments, please contact John Restey at 615-736-5538 or John.G.Restey@lrm02.usace.army.mil.

Upcoming Key Dates in HR

- **1 July-31 December 2002-----Long Term Care Open Season**
- **15 October-31 December 2002----TSP Open Season**
- **17 December—V.O.I.C.E. Meeting**
- **17 December—Resumix Class**

General News:

UPDATE ON JANUARY 2003 PAY ADJUSTMENTS

GS - The general Schedule pay adjustments for January 2003 are shown in draft pay tables on OPM's Website: www.opm.gov. OPM will post the final GS pay tables after the President issues an Executive order to implement these adjustments.

Special Rate Salary - The annual review of special salary rates is now under way. OPM will post the 2003 special rate tables on its website as soon as possible after final decisions are made on the 2003 across-the-board GS pay increase.

Federal Wage System - The issuance of appropriated fund and non-appropriated fund Federal Wage System (FWS) pay schedules effective in fiscal year 2003 will be delayed until the FY 2003 FWS pay limitation is determined. When the Department of Defense issues FY 2003 wage schedules, the new schedules will be retroactive to their normal effective dates. FY 2002 wage schedules are available at the Department of Defense Website at www.cpms.osd.mil/wage.

JANUARY 2003 COST-OF-LIVING ADJUSTMENT

Retired Federal employees and entitled surviving family members of deceased Federal employees and retirees will receive a cost-of-living increase effective December 1, 2002, which will first be reflected in the benefit payable January 2, 2003.

Under the Civil Service Retirement System (CSRS), Organization Retirement and Disability system (ORDS), Federal Employees Retirement System (FERS), and FERS Special, the cost-of-living increase will be 1.4 percent for those who have received benefits for at least one year. The 1.4 percent increase was determined by computing the percentage increase in the Consumer Price Index (CPI) for urban wage earners and clerical workers from the third quarter average of 2001 to the third quarter average of 2002, as provided by the US Dept of Labor, Bureau of Labor Statistics.

Under the Federal Employees Retirement System (FERS) and FERS Special, adjustments are not provided until age 62, except for disability benefits, survivor benefits, and for individuals who retired under the special provision for law enforcement officers, firefighters, air traffic controllers, and military reserve technicians. FERS disability retirees get the adjustment, except when they are receiving a disability annuity based on 60% of their "high-three" average pay.

To get the full COLA, a retiree or survivor annuity must have begun no later than December 31, 2001. If not, the increase is prorated under both plans. Pro-rated accounts receive one-twelfth of the increase for each month they receive benefits. For example, if the benefit commenced November 30, 2002, the prorated COLA would be one-twelfth of the full COLA.

Under all the plans, benefits are paid on the first business day of the month after the month in which they accrue. Benefits which accrue in December 2002 are payable on January 2, 2003. Note: A benefit will not be increased if it would cause the annuitant to receive payments in excess of any cap amount specified by law. Anyone who is eligible for an adjustment will receive an increase of at least \$1.

Cost-of-Living Adjustments by Month Annuity Began

| Month Annuity Began | Amt of % Increase |
|--------------------------|-------------------|
| December 2002 or earlier | 1.4 |
| January 2002 | 1.3 |
| February 2002 | 1.2 |
| March 2002 | 1.1 |
| April 2002 | 0.9 |
| May 2002 | 0.8 |
| June 2002 | 0.7 |
| July 2002 | 0.6 |
| August 2002 | 0.5 |
| September 2002 | 0.4 |
| October 2002 | 0.2 |
| November 2002 | 0.1 |

Health And Benefits

TSP OPENS SEASON ENDS DECEMBER 31, 2002

The Thrift Savings Plan (TSP) open season ends December 31, 2002. During the open season, eligible civilian employees may begin contributing to the TSP or change the amount of current contributions to the TSP. Employees covered by the Federal Employees Retirement System may elect to contribute up to 13 percent and Civil Service Retirement System covered employees may elect to contribute up to 8 percent of basic pay. All civilian TSP Open Season elections and changes must be transacted through the Army Benefits Center - Civilian via the Interactive Voice Response System at 1-877-276-9287 or the Employee Benefits Information System at <https://www.abc.army.mil/> and selecting "Benefits Change". Employees may also view their most recent TSP contribution election via these systems.

Employees may only make contribution allocations (designate which of the five TSP investment funds money should be placed in) or interfund transfers (change the investment of money already in the TSP account) through the TSP website at <http://www.tsp.gov/> by selecting "Account Access" or by calling the ThriftLine at (504) 255-8777. More information about the TSP may be found in the booklet, "Summary of the Thrift Savings Plan for Federal Employees" available on the TSP website by selecting "Forms and Publications" under the "Civilian" column. (ABC-C 1-877-276-9287)

TSP numbers stay strong in November

For the second consecutive month, the Thrift Savings Plan's C, S and I funds posted positive returns in Nov, according to the latest numbers from the plan. The C fund, which invests in common stocks, gained 5.87 % after climbing 8.77% in Oct. This fund has dropped 16.48 % over the past year. The S fund increased 6.76 %, the S fund increased 3.38 %. The I fund gained 4.49 % last month. The I fund, which plummeted 10.75 % in Sept, has dropped 12.68 % since Dec 2001. The TSP's G fund rose by 0.34 % in Nov. The fund increased 0.33 % in October and has gained 5.04 % in the past 12 months. The usually reliable F fund dropped a minuscule 0.01 % last month, the only fund to post a negative return in November. One of the TSP's most consistent performers, the F fund, fell 0.44 % in Oct, after posting gains in September and August. The fund, which consists of fixed-income bonds, has risen 7.36 % in the past year. The monthly C, F, G, S and I Fund returns reflect net earnings on the amounts invested during the month.

For an index of the performance of the C, I and S funds that is updated each business day, see the "[TSP Ticker <http://www.govexec.com/careers/thrift/tspticker.htm>](http://www.govexec.com/careers/thrift/tspticker.htm)" **TAKEN FROM GOVEXEC.COM, By Kellie Lunney**

FOOD FOR THOUGHT:

The one thing that unites all human beings, regardless of age, gender, religion, economic status or ethnic background, is that, deep down inside, we ALL believe that we are above average drivers.